

March 4, 2011

Senator Eric Coleman Representative Gerald Fox Members of the Joint Committee on Judiciary Hartford, CT 06106

Senator Coleman, Representative Fox and Members of the Judiciary Committee, please accept this written testimony in strong support of HB 6343, An Act Concerning Cooperative Health Care Arrangements.

I am writing as President of the Connecticut Orthopaedic Society, representing over 225 orthopaedic surgeons in Connecticut who strongly urge your support of this bill to obtain these arrangements in our State, as it is a critical issue not only for physicians but health care consumers and employers who pay the skyrocketing premiums.

In the February 2011 issue of AMed News, the American Medical Association reported that in 96% of markets, one insurer controls at least 30% of nearly every commercial health insurance and in half of metropolitan areas, one insurer controls 50% or more of the commercial insurance market. This market power creates a huge disadvantage to patients in the form of higher premiums and to physicians in the form of unfair contracting and policies.

It is this market power that drives up the cost of premiums and forces physicians to participate in bad contracts. By legislating the ability for physicians to fairly negotiate under the watchful eye of the State's Attorney General, HB 6343 would assist in improving plans that are impacted by one-sided contracts that give insurers the "right" to limit care and impose substandard care on our patients.

For decades, insurance companies have made unilateral demands on our practice with contracts that deny payment, retroactively take back payment by garnering monies from current payments and unilaterally modify terms and reimbursement rates during the contract period. Our Society is addressing some of these issues this legislative session in separate bills on prohibiting most favored nation clauses and guaranteeing payment for preauthorized services.

This bill, if enacted, would give us the ability to begin to eradicate the egregious practices outlined above and effectively negotiate for us and our patients. On behalf of the orthopaedic surgeons in Connecticut, thank you for your consideration and we urge you to support HB 6343. If I can be of assistance, please contact me at 203-737-1616 or via email brian.g.smith@yale.edu.

Sincerely,

Brian G. Smith, MD

President- Connecticut Orthopaedic Society